

Free and Reduced Price Meal Benefit Determination 2014-15 School Year

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Distance Learning
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**ARKANSAS
DEPARTMENT
OF EDUCATION**

USDA Eligibility Manual for School Meals revised August 2013

- Distance Learning on Eligibility Determination was on August 8, 2013
- Most Arkansas school district's started to school on August 19, 2013
- USDA published the REVISED *Eligibility Manual for School Meals* on August 29, 2013
- Possibility that USDA will revise the *Manual* again this year
- If it is revised we will publish a Commissioner's Memo and post new *Manual* on our website

USDA Eligibility Manual for School Meals revised August 2013

- Arkansas Department of Education no longer has an “Arkansas version” of the *Eligibility Manual for School Meals*.
- Keep older versions of the *Eligibility Manual* as documentation of benefit issuance policy at the time of eligibility determination (for audit purposes).

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It is very important that ALL personnel at the school district that are involved with the eligibility determination process and with the verification process have a copy of the most recent *Eligibility Manual*.

If there are people involved in the determination process that are not at this training please ensure they are provided the handouts (for ex: email the slides, etc. to all people involved)

DOCUMENT!!!

USDA Eligibility Manual for School Meals revised August 2013

- Throughout this presentation we will discuss the things that were updated with the 2013 version of the *Eligibility Manual*.
- Look for wording in **red** on the slides for new wording in the manual

Source Documents

- Every student listed as free or reduced eligible on the Child Nutrition master roster, the Child Nutrition point of sale roster or E-School Plus Roster must have a SOURCE DOCUMENT to show the student is eligible for the approved meal benefit.
 - Name on Direct Certification List
 - Name on Other Source Categorically Eligible Lists (homeless, migrant, etc.)
 - Name on approved Free or Reduced Price Meal Application
 - Name on “Other students in HH with Direct Certification Students” list (audit trail)

Source Documents

- **Types of source documents:**
 - Name on Direct Certification List
 - Name on Other Source Categorically Eligible Lists (homeless, migrant, etc.)
 - Name on approved Free or Reduced Price Meal Application
 - Name on “Other students in HH with Direct Certification Students” list or other documentation to show students living in household with direct certification students (audit trail)

Keeping Up To Date

- Very important to stay up to date on changes in eligibility regulations
- Go to Commissioner's Memo page of our website for latest memos
- Watch for emails from Suzanne Davidson with important updates and reminders (sent to Directors)
- Must always use the CURRENT school year application materials

General Requirements

- Policy Statement on file with state agency (SA) – revised each school year with current information; if these have changed from the Renewal Agreement sent to us in May, please update the changes and send to your area specialist.
 - Includes SA approved application materials
 - Policies for each schools meal count and collections procedures
 - Personnel responsible for eligibility determination processes
 - Determining Official
 - Confirming Official
 - Verifying Official
 - Hearing Official

Application Materials

- MUST use current school years approved application materials
- ADE, CNU publishes as part of the Policy Statement or Renewal of Policy Statement each spring for the upcoming school year
- Any school district using application materials OTHER than the ADE, CNU published materials must have them approved by ADE, CNU as part of the Policy Statement each year (i.e.: districts that use scanned applications)
- USDA very specific in the MANDATED contents of the application materials – changes regularly

Application Materials

- Application materials are in four pages – **all four pages must be given to the households:**
 - Letter to the household which includes USDA mandated specific information
 - Instructions on how to complete the application
 - Application for free or reduced price meal benefits
 - REDUCED price income guidelines
 - Privacy Act Statement and Non-Discrimination Statement

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- **The Assistance Programs used for categorical eligibility for free meal benefits are:**
 - Supplemental Nutrition Assistance Program (SNAP)
 - Food Distribution Program on Indian Reservations (FDPIR)
 - Temporary Assistance for Needy Families (TANF is a Federal designation)

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- **ASSISTANCE PROGRAMS**
- Receipt of benefits by **any household member from certain programs conveys categorical (automatic) eligibility for free school meals to all children in the household.** The determination is made through an application with appropriate case numbers or through “direct certification for assistance programs.”

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- **HOWEVER – in the state of Arkansas the ONLY Assistance Program that qualifies children as categorically eligible for free meals is SNAP**
- Arkansas does not have Indian Reservations so there is no eligibility for FDPIR
- TANF households in Arkansas do not automatically qualify for categorical eligibility

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- **CATEGORICALLY ELIGIBLE CHILDREN** are those children automatically eligible for free meal benefits because:
 - they, or any household member, receive benefits under Assistance Programs (includes all students living in the household) **or**
 - those children who are designated as members of **Other Source Categorically Eligible** programs (only for student listed).

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- **THEREFORE: Any time that the USDA Eligibility Manual refers to assistance programs we know that in Arkansas we should/could substitute the term “SNAP” because the other two programs do not automatically qualify in Arkansas.**

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- **SNAP benefit household students** – any student that lives in the same household with someone receiving SNAP benefits is categorically eligible for free meals

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- SNAP Benefit household students determination may be made through:
 - **Direct Certification List** (downloaded through portal available week of August 11)
 - Student listed **AND** all other students in household
 - **SNAP Free and Reduced Price Meal Application**
 - All students listed on application with SNAP case number and name of HH member receiving benefits

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- **DIRECT CERTIFICATION** means determining children eligible for free meals benefits based on documentation obtained directly from the appropriate State or local agency or other authorized individual. **In most situations, direct certification of a child's eligibility status should not involve the household.** The communication exchange should be between an appropriate agency and the LEA/school.

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- **DIRECT CERTIFICATION FOR SNAP** households ***must*** be conducted using electronic data match process.
 - LEA is responsible for three direct certification matches per school year
 - Arkansas received grant to implement electronic match and will have FOUR matches 2014-15 SY
 - Password for portal to be sent to CND of each district
 - **MUST print DC list as SOURCE document to make students categorically eligible for free meals**

Direct Certification and e-School

- Students that are Directly Certified on the FIRST match (week of August 11) will be uploaded into e-School database
- **These students will have the meal eligibility listed as “04” – not “01” as in the past**
- SFA must ‘find’ all students living in the same household with DC students and make them “04” in e-School also.

Direct Certification, e-School and Point of Sale Software Systems

CAUTION!!!!

- Due to the new meal eligibility designation of 04, if the Point of Sale (POS) software communicates with e-School database and uploads those student eligibility the SFA must ensure that the POS database is correctly programed to accept “04” status as free based on Direct Certification.

Direct Certification, e-School and Point of Sale Software Systems

- **It is VERY IMPORTANT that everyone involved in the determination process be aware of this new e-School “04” meal status**
- This may involve the SFA working with the POS software company to ensure that all students listed as “04” are being counted and claimed at the free reimbursement rate
- Please double check your system to ensure it is counting and claiming correctly

Direct Certification, e-School and Point of Sale Software Systems

- Many of the SFA's have meal status of "04" in the POS for teachers, inactive students or some other designation.
- IF the POS imports or exports meal status between the POS and e-School then "04" must be set up in the POS prior to the DC download communication between the two systems.

DOUBLE CHECK YOUR SYSTEM!!!

- If the POS and e-School communicate the direct certification download it is very important that the POS be tested to ensure accurate meal counts by category are being recorded.
- **Do not wait!!! Do this as soon as possible!!!**
- Double check in the serving line
- Double check the monthly reports/daily records

e-School and “04” Meal Status

- The “04” meal status in e-School is to be used ONLY for students that are directly certified through SNAP or students that live in the same household with students that are directly certified through SNAP
- “04” is NOT to be used for other “list” categorically eligible students in e-School

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- Other Source Categorically Eligible Programs (can be determined free eligible based on their name being on the following lists)
 - Foster
 - Homeless
 - Migrant
 - Runaway
 - Head Start
 - Even Start

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- **DIRECT CERTIFICATION FOR OTHER SOURCE CATEGORICALLY ELIGIBLE PROGRAMS:**

Direct certification may be conducted using **lists of eligible participants provided to the State or LEA from appropriate officials from Other Source Categorically Eligible Programs.** No application is necessary if eligibility is determined through the direct certification process.

- **NOT subject to verification**

The term “Direct Certification”

- In Arkansas we often refer to Direct Certification as the match between ADE records and SNAP records. Other categorically eligible Direct Certification discussed in the Eligibility Manual would be the “lists”: homeless, migrant, runaway, Head Start, Even Start, Foster
- Students on categorically eligible lists are not subject to verification

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Page12

- **DIRECT VERIFICATION** means using public records as means to verify children's eligibility for free/reduced price meals. Direct verification may be conducted with SNAP agency or appropriate officials in programs represented in Other Source Categorically Eligible Programs to confirm eligibility for free meals. Direct verification with Medicaid/SCHIP may confirm either eligibility for free or reduced price meals depending on the Medicaid/SCHIP eligibility criteria in the state.

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Page 12

- **EXTENSION OF CATEGORICAL ELIGIBILITY** means that all children in a household with at least one child or household member who receives benefits from an Assistance Program (in Arkansas that means SNAP) are categorically eligible for free meals. Any one child's or household member's receipt of benefits from an Assistance Program (SNAP) **extends free school meal eligibility to all children who are members of the household.**

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- Change on page 12: *FOSTER CHILD* means a child whose care and placement is the responsibility of an agency that administers a State plan under part B or E of title IV of the Social Security Act, or a foster child who a court has placed with a caretaker household. **These provisions only apply to children formally placed in foster care by a State child welfare agency or a court. They do not apply to informal arrangements such as caretaker arrangements or permanent guardianship placements that may exist outside of or as a result of State or court based systems.** Whether placed by the State child welfare agency or a court, in order for a child to be considered categorically eligible for free meals, the state must retain legal custody of the child.

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Page 13 and 14

- **HOUSEHOLD** means a group of related or nonrelated individuals who are living as one economic unit. The term “family” has the same definition.
- **OPERATING DAYS** are days **during which meal service is provided** (if reimbursable breakfast or lunch is served to students it is an operating day)

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revised August 2013

- Change on Page 14: *OVERT IDENTIFICATION* is any action that may result in a child being recognized as potentially eligible to receive or certified for free or reduced price school meals or free milk. SFAs must assure that a child's eligibility status is not disclosed at any point in the process of providing free or reduced price meals, including notification of the availability of free or reduced price benefits; certification and notification of eligibility; provision of meals in the cafeteria; the point of service; **providing additional services, such as educational services to low income children** and through the method of payment.

Overt Identification

- The SFA must be very cautious in the method that is used in “providing additional services, such as educational services to low income children”.
- Cannot refer to these students as free or reduced price eligible students – should be referred to as ‘low income’ students

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Change on Page 15: ADDRESSING OVERT IDENTIFICATION IN THE POLICY STATEMENT

SFAs and LEAs must avoid any policy or practice that has the effect of overtly identifying children **receiving meal benefits**. LEAs and SFAs must assure that their policy statement complies with this guidance. **State agencies must ensure during an administrative review that the LEA's and SFA's policy statement addresses ways to prevent overt identification.**

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Page 15

- **PUBLIC (MEDIA) RELEASE:** Near the beginning of each school year, the public must be notified that the NSLP and/or SBP are available in the school or school district. This notice must include the eligibility criteria for free and reduced price meals. **It must be provided to the local news media, the unemployment office, and any major employers who are contemplating large layoffs in the attendance area of the school.**
- Part of the forms packet each year on website

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Page 15-17

- Pages 15-17 of the Manual has very specific information that **MUST** be contained in the Media Release.
- ADE publishes the revised Media Release with the Application Forms and Letter Packet each school year

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Page 18

- **Application Design:**

- The application and all supporting materials must be clear and simple in design and in an understandable and uniform format. The application materials must also conform to the requirements described.

Arkansas publishes a prototype free and reduced price meal application as part of the Agreement/Policy Statement each spring for use the following school year.

Any changes to the Arkansas prototype must be approved by ADE CNU prior to publication

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Page 18

- **Foreign Language Translations:** The application materials and other communications with households concerning eligibility determinations must be, in a language that parents and guardians can understand in order to diminish any language barriers to participation for Limited English Proficient (LEP) families. Where households need information in a language other than English, LEAs must make reasonable efforts, considering the number of such households, to provide household letters and application forms to them in the appropriate languages.

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Page 18

- Foreign Language Translations:
- Spanish Application on Forms page of ADE CNU website
- The FNS web site, at (<http://www.fns.usda.gov/school-meals/translated-applications>) **has the prototype application and materials translated in thirty-three (33) languages.**
 - LEAs and State agencies are responsible for ensuring that all application and other household materials used in the application process are available **in a language the LEP household can understand.**
 - Additionally, households can be assisted with completing the application process through the use of personnel proficient in foreign languages.

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C. INFORMING HOUSEHOLDS

Each year, at the beginning of school, information letters must be distributed to the households of children attending the school. This letter tells families which Child Nutrition Programs are available and that meals may be available free or at a reduced price, or that milk may be available free. All LEAs must be able to provide households with paper applications and materials.

- **All LEAs must be able to provide households with paper applications and materials.**

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Change on page 19: The information letter **must** be sent to households of all schoolchildren either before the beginning of the school year or very early in the school year so eligibility determinations can be made and free and reduced price benefits provided as soon as possible.

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Page 19

- The **Information Letter** is Page 1 of the Free and Reduced Price Meal Application packet.
- **The information letter may be distributed by the postal service, emailed to the parent/guardian or through the information packet provided to students.**

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- **Information Letter:** If the LEA only uses paper applications, an application form and instructions must be included with the letter to households.
- **If the LEA uses a computer or web-based system to process applications,** the letter must inform the household how to access the system in order to apply for benefits. In addition, the letter must explain to the household how to obtain and submit a paper application.

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Page 20-21

- **Information Letter:** very specific information that **MUST** be in the information letter.
- The Arkansas prototype forms and letter packet is updated each year to comply with information letter regulations.
- Any district not using the information letter provided by ADE CNU must have the district's letter approved by ADE CNU **prior to publication.**

Non-Discrimination Statement

Changed May 2013

- Page 21-22
- The U.S Department of Agriculture prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department.

Non-Discrimination Statement

Changed May 2013

- If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found at http://www.ascr.usda.gov/complaint_filing_cust.html or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.
- Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer.

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- **Household Applications:** LEAs must provide household applications to families applying for free or reduced price meals benefits. A household application is submitted by a household for **all children** in that household **that attend schools in the same LEA.**

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- Change on Page 22:
- **FAMILY FRIENDLY FREE AND REDUCED PRICE APPLICATION**
- A new version of the prototype application package, the Family Friendly application, is available for use. LEAs are encouraged to use this application package, as appropriate. The Family Friendly application is a simplified application that includes only the information that families need when first applying for free and reduced price meals in the school meal programs. This application package has been translated into 33 languages and is available at:
<http://www.fns.usda.gov/cnd/Application/familyfriendlyapps.html>

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- This package includes the letter to household, application instruction, the application and the form to share information with MEDICAID/SCHIP for additional benefits.
- This newly translated package is intended to assist with the requirement that LEAs and State agencies have to ensure their application and other household materials are available in a language a Limited English Proficient household can understand.

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An electronic application system should also include a statement which explains how to obtain a paper application should a household decide they no longer want to complete an electronic application.

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Page 23

- **PREVENTING OVERT IDENTIFICATION OF DIRECTLY CERTIFIED CHILDREN:** LEAs are not required to provide applications to parents when children are eligible for free meals through direct certification, but must assure that these children are not overtly identified through the method used to distribute applications. If the distribution of applications method is not individualized the SFA must provide applications to all households.

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Page 24 - 25

- **The application form *must* contain:**
 - Use of Information Statement
 - Statement explaining the requirement of the last four digits of the social security number for income applications (or no SSN box checked)
 - Attesting Statement

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- **CATEGORICAL ELIGIBILITY BASED ON ASSISTANCE PROGRAMS**
 - The application must provide space for identifying any household member who receives benefits from Assistance Programs (SNAP) and their case numbers.
 - **When a SNAP case number for any household member is listed on the application, all children in the household are eligible for free meals.**

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- **OTHER SOURCE CATEGORICAL ELIGIBILITY AND INCOME ELIGIBILITY:** The Arkansas prototype application has a place for the household to indicate if a student in the household is a foster child. There is a possibility of “mixed households” in which some children may be designated as foster children and some may not. The LEA then must determine eligibility for other children listed on the application through household size and income.

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- **OTHER SOURCE CATEGORICAL ELIGIBILITY AND INCOME ELIGIBILITY:** The Arkansas prototype forms and letters indicates to the household in the Information letter that if any student can be considered homeless, migrant, runaway, Head Start or Even Start to contact the school district. The Determining Official should contact the appropriate personnel (i.e.: homeless liaison) to determine if the students are on the appropriate signed and dated lists (i.e.: homeless list)

Q&A on Page 26

4. School applications sometimes request a birth date or other information not required through statute or regulation as a required field. Can these applications be marked as incomplete and not processed?

Answer: The LEA must not delay approval of applications, both on-line applications as well as hard copies of applications **if the household fails to provide any information that is NOT required.** For example, if the household fails to include its street address, or birth dates, processing of the application cannot be delayed.

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- **Benefits Prior to Processing Applications**
 - Thirty OPERATING DAY Carryover of last years status
 - Students begin new school year with same status as last year
 - Carryover of previous year's eligibility applies to direct certification, categorical eligibility determinations and income applications
 - Carryover continues for **UP TO 30 operating days** or when a new status is determined
 - End of 30 day carryover if new status not determined then changes to paid

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Page 27

- A. BENEFITS PRIOR TO PROCESSING APPLICATIONS
- Change on page 27: Before applications are processed for the new school year and up to the first 30 operating days, beginning with the first **operating** day of the school year, the LEA must carry-over eligibility and claim free and reduced price meals served to:

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- Change on page 27:
- Children from schools participating in Community Eligibility (CE) that transfer within the same LEA to a school not participating in CE must complete a free and reduced price meal application or can be determined eligible for free meals through the direct certification notification. If a child's direct certification information from the previous year is available, that child may receive free meals during the carryover period.

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- If a household does not submit an application or children are not directly certified by the end of the carryover period, the **LEA is not required to send the household a denial letter or a notice of adverse action.**
- However, **it is advisable** that the LEA notify households if they have not received new eligibility status prior to the carryover cut-off.

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- **Application Processing Timeframe:**
Applications must be reviewed in a timely manner. **An eligibility determination must be made, the family notified of its status, and the status implemented within 10 operating days of the receipt of the application.**
Whenever possible, applications should be processed immediately, particularly for children who do not have approved applications on file from the previous year.

CAUTION!!!

- Applications must be processed and household notified **within TEN (10) operating days** of the Child Nutrition department receiving the application.
 - Approved free
 - Approved reduced
 - Denied

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- **Households should be notified immediately if benefits are denied or reduced from the level of the previous year** in order to provide adequate time for the family to make appropriate arrangements for payment to prevent the household from accumulating meal charges.

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- **A new lower eligibility determination should be implemented only after the family has been notified.** For example, in the case of a household that received free benefits the previous year and will now receive reduced price benefits for the new school year; **adequate notice should be provided.**

Is the Application Complete?

Page 29-31

- Determining if the application is complete is based on the “type” of application:
 - SNAP application
 - Foster Child application
 - Income application
 - Mixed Eligibility HH application

CN Documentation on Applications

- The application is the legal document
- Any changes/additions to the application made by CN must be documented and noticeably made by CN – for example all CN writing on applications may be in green ink (or red, or purple...)
- As part of the application source document audit trail the student's grade and school need to be on the application – this is often not completed by the HH or is incorrect.
- Can an auditor find that child's source document?

Source Documents

- Must be retrievable by school
 - Easy for small districts
 - More difficult for larger districts
 - Need the students grade and school listed on approved application
 - This can be added by CN staff – needs to be noticeable that was added by CN (different ink, dates and initials, etc.)

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Page 29-30

- **Application Complete: SNAP**
 - SNAP application is considered complete with:
 - Student names
 - Name of HH member receiving SNAP benefits
 - SNAP case number (or SNAP identifier)
 - Signature of adult HH member completing form

SNAP Applications

- LEAs must ensure that children in a household that lists a SNAP case number or other SNAP identifier on an application for any household member **are provided free meal benefits**. This **extension of categorical eligibility** also applies to the direct certification process.

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- **Application Complete: FOSTER**
 - If there are only Foster Child(ren) on the application the application is complete with:
 - Names of children
 - Foster child box checked
 - Signature of adult HH member completing application

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- **Application Complete: FOSTER**
 - If there are both Foster Child(ren) and non-foster child(ren) on the application the application is complete with:
 - » Names of all children in household
 - » Foster box checked for foster children
 - » Other information required based on the type of determination needed for the non-foster child(ren)
 - Income
 - SNAP

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- **Application Complete: Income**
 - Names of students in district
 - Names of ALL household members
 - Income indication for ALL household members
 - Source of income
 - Frequency of income
 - **If no income the no income box checked or other indication of zero income**
 - Signature of adult HH member completing application
 - Last four digits of SSN for adult signing application or the box checked to indicate they do not have SSN

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- **MIXED ELIGIBILITY ON ONE APPLICATION:** On applications indicating mixed households, where some children are Other Source Categorically Eligible and some children are not (for ex: foster and non-foster on same application), the LEA must have a method to process different eligibility statuses that may result from these applications. While the household cannot be required to submit multiple applications, the LEA may reproduce the application to accommodate more than one eligibility status or may process the application separately in a computer-based system.

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- **Application Complete: Mixed Household (foster/income)**
- Names of all household members;
- Amount and source of current income for each member and the frequency of income;
- A checked box indicating a foster child, list any personal income made available to the foster child, and earned by the foster child as appropriate; (It is optional for the household to list foster children residing in their care);
- Signature of an adult household member; and
- Last four digits of the social security number of the adult household member who signs the application or, an indication that the household member does not have a social security number.

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- The FIRST thing the Determining Official (DO) to do when receive a meal benefit application is to check the Direct Certification (DC) list **for the name of ANY of the students on the application.** If any student listed on the application is on the DC list then make ALL students on the application FREE by Direct Certification. Put the application in a folder of DC Applications (source doc for all other students). **NOT SUBJECT TO VERIFICATION**

DO FIRST!!!

- When an application is received the FIRST thing to be done is to check the Direct Certification (DC) list for ALL students listed on the application
- If ANY student on the application is listed on the DC list then ALL students listed on the application are FREE by DIRECT CERTIFICATION (not by application)

DO FIRST!!!

- If ALL students on the application are NOT on the DC list then must have an audit trail to act as the SOURCE document to make those other students free. This source document may be:
 - The application (in a file with DC list)
 - Enrollment records to indicate other students (print and save)
 - Notification to School District...(in forms packet)
 - List of students to be added to DC list based on household (see example below)

Example of Other Students List

A	B	C	D	E	F
Student on DC list	School	Grade	Other Student in HH	School	Grade
Sally Jones	ABC High School	10	Jackie Smith	XYZ Elem	1
Sally Jones	ABC High School	10	Mike Smith	LMN Middle	7
John Waters	LMN Middle	8	Jim Waters	XYZ Elem	K
Maggie Smith	LMN Middle	5	Maggie Smith	XYZ Elem	4
Sally Jones	ABC High School	10	Jackie Smith	XYZ Elem	1



DO FIRST!!!

Only AFTER the application has been checked against the DC list and no students are on the DC list is the application processed further.

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- **REVIEWING SUBMITTED APPLICATIONS:** After checking the DC list, the determining official must review each incoming application to ensure that the household has submitted a complete application.
- If the application is complete, the official must then determine whether the household is categorically eligible or income eligible for benefits based on the information provided on the application.

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- The LEA must not delay approval of the application if the household fails to provide any information **that is not required**. For example, if the household fails to include its street address, **processing of the application cannot be delayed**.
- Please **READ and understand** the information letter and the application instructions that are supplied to the household

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- Citizenship/Legal Status: United States citizenship or immigration status is not a condition of eligibility for free and reduced price benefits. LEAs must apply the same eligibility criteria for citizens and non- citizens.

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- **Income Application requires current income:**

This may be for the **current month**, the **amount projected for the month for which the application is filled out** or for the **month prior to application**. If the household's current income is **not a reflection** of income that will be available over the school year, the household should contact the LEA for assistance. The LEA would determine the amount and frequency of income available during the school year for households.

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- **Income conversions:**
 - Not required if all income received in same frequency (i.e.: all income received monthly)

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- **Income conversions:**
 - Required if income received at different frequencies (i.e.: one source of income is received monthly and another source of income is received every other week).
 - Must convert all income to ANNUAL:
 - Monthly multiply by 12
 - Weekly multiply by 52
 - Every other week multiply by 26
 - Twice a month multiply by 24
 - Add all of the annual conversions together to get total annual income for household

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- **Income Application:** if the household member completing the application does not indicate an income next to a person's name and does not indicate zero income then **the determining official MUST CONTACT the household to determine complete information**, we cannot assume that children have no income.
- Zero income may be indicated by checking a "no income" box, by writing in "zero" or "no income" or by inserting \$0.

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- When contacting the household for further information needed on the application (i.e. for income information or last four digits of SSN, etc.) **document ON THE APPLICATION the household contact** (who spoke to, what they said, date and initials or signature of person making the contact)
- The application is the **LEGAL SOURCE DOCUMENT to give the student eligibility benefits** and cannot be changed by the LEA without appropriate documentation.

While we are on the subject:

- **NEVER, EVER, EVER, EVER, EVER, EVER use white out or other method of obliteration on an application**
- If the LEA makes a mistake then strike through the mistake with one mark and write the correct information (dated and signed or initialed)
- If household turns in app with white out then circle the spot and indicate the app was received from HH with white out (dated and signed or initialed)

Determining Eligibility Page 33-35

- Determining Eligibility – after ensuring that the application is complete the eligibility determination must be made based on the type of application

Arkansas SNAP Case Number Format

- **In Arkansas the SNAP case number is NO LONGER the social security number**, it is the Budget Unit ID number for the SNAP household
- The Arkansas SNAP case number is actually seven digits, however the DHS system requires a 9 digit number (does not have dashes like the SSN)
- **The nine-digit Arkansas SNAP case number will always start with the two zeros (00)**
- If the HH gives a seven digit number that does not have leading zeros it still MAY be an accurate SNAP case number.

Arkansas SNAP Case Number or SNAP Identifier

DETERMINATION USING SNAP CASE NUMBERS

- While the Arkansas SNAP Case Number is as explained on the previous slide the household may also indicate a SNAP identifier rather than a case number. **This SNAP identifier may be in the format of a social security number.**
- Part 2 of the Prototype application was changed to show a single line for the case number/identifier (not nine-dashes)

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- The electronic benefit (EBT) card number used by the Supplemental Nutrition Assistance Program cannot be used to establish categorical eligibility.

Determining Eligibility with Assistance Programs (SNAP) Page 33

- Change on page 33: ...for any child or household member with a valid case number/other identifier, the LEA must approve **all children in the household** as eligible for free benefits.

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- **DETERMINATION FOR OTHER SOURCE CATEGORICALLY ELIGIBLE CHILDREN**
- LEA officials must document eligibility under these circumstances through the appropriate officials (i.e. homeless liaison and the homeless list)
- If an LEA official has knowledge that a child may be Other Source Categorically Eligible and an application was not submitted, that official may apply on that child's behalf and then must confirm their status through appropriate officials.

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- Change on page 34: Applying on a child's behalf is important when there may be a delay in documenting whether a child meets the definition of homeless, migrant, runaway **or enrolled in a Head Start program**. If a child's status is not confirmed, the benefits must be terminated **unless income information was provided through an application**.

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- Remember that Other Source Categorical Eligibility does not convey to other students in the household in the same manner that Assistance Programs (SNAP benefits).
- Only the student listed on the Other Source Categorical Eligibility lists (i.e. homeless list, migrant list) are automatically eligible for free meal

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- **DETERMINATION BASED ON INCOME**
- It is the responsibility of the determining official to compute the household's total current income and compare the total amount to the appropriate IEG.
 - LEA officials must determine countable income (see *Part 4C: Determining Household Income*).
 - Households that submit a complete application indicating total household income at or below the income limits must be given appropriate benefits

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Page 34-35

- Households that submit an **incomplete application cannot be approved** if required information is missing; information must be obtained before an eligibility determination can be made.
- Change on page 34: To get the required information, the school may return the application to the household or contact the household either by phone or in writing, **including e-mail**, to a parent or guardian. The determining official should document the details of the contact, and date and initial the entry.
- Applications **missing the signature** of an adult household member **must be returned for signature**.
- **Every reasonable effort should be made to obtain the missing information prior to denying the application.**

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- **VERIFICATION FOR CAUSE**
- The LEA has an **obligation** to verify all approved applications that may be **questionable**; that is, verification “for cause” (see *Part 8D: Verification for Cause*). Such verification efforts cannot delay the approval of applications. If an application is complete and indicates that the child is eligible for free or reduced price benefits, the application must be approved. **Only after the determination of eligibility has been made can the LEA begin the verification process.** (Two letters may be in same envelope)

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- **DURATION OF ELIGIBILITY**
- A child's eligibility is in effect from the date of eligibility for the **entire current school year and up to 30 operating days** in the subsequent school year.
- Exceptions:
 - Incorrectly determined (mistake by determining official)
 - Verification does not support benefit
 - HH requests to be lowered

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- **UNAPPROVED APPLICATIONS:**
- If there are any inconsistencies or questions concerning the required eligibility information provided, **the household's application must be denied unless the inconsistencies or questions are resolved.** For instance, if it is unclear whether the household provided weekly or monthly income, this issue must be resolved before an eligibility determination can be made. **School officials SHOULD contact the household prior to denial, document the details of the contact, and date and initial the entry.**

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- **HOUSEHOLDS THAT FAIL TO APPLY**
- **Local school officials may complete an application for a child known to be eligible if the household fails to apply.**
When exercising this option, the school official must complete an application on behalf of the child based on the best household size and income information. The source of the information must be noted on the application.
- **Excluded from verification**
- **Household must be notified** that the child has been certified to receive free or reduced price benefits
- This option is intended for **limited use** in individual situations

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Page 36

- **Households that complete applications must be notified of their eligibility status.**
- Change on page 36: Households with children who are denied benefits must be given written notification of the denial. **LEAs that use an automated telephone information system must also give written notification of denial.** The notification must advise the household of:
 - Reason for denial of benefits;
 - Right to appeal;
 - Instructions on how to appeal; and
 - Statement that family may re-apply for free and reduced price benefits at any time during the school year.

SP 11-2014 Effective Date of Free and Reduced Price Meal Eligibility

- The *Eligibility Manual for School Meals* provides that the determination, notification, and implementation of free or reduced price meal status be made within ten operating days from the date the application is received by the LEA. **Therefore, if the LEA chooses, it could establish the date of submission of an application as the effective date of eligibility, rather than the date the official approves it.**

SP 11-2014 Effective Date of Free and Reduced Price Meal Eligibility

- This flexibility applies to eligibility determinations made through the application process only, and only to complete applications containing all required information at the time of submission (see part 3C of the *Eligibility Manual*).

SP 11-2014 Effective Date of Free and Reduced Price Meal Eligibility

- LEAs can use this flexibility when processing household income applications, as well as when waiting for documentation of other source categorical eligibility (e.g., for homeless or migrant children) indicated on a household application.

SP 11-2014 Effective Date of Free and Reduced Price Meal Eligibility

- LEAs exercising this flexibility must do so for all students in all participating schools and Programs. In addition, **LEAs must have a method to document the date the application was submitted, such as a date stamp, and must refund any money paid by or on behalf of the child for a reimbursable meal or milk prior to the eligibility determination, including forgiving accrued debt.**

Eligibility Determination Date

- Therefore, based on SP 11-2014 the SFA may make the eligibility determination date the date the COMPLETED application was received by Child Nutrition:
 - Must have a procedure to determine when the application was received by Child Nutrition
 - Must credit students accounts when needed
 - Must adjust meal counts and daily records

SP 11-2014 Effective Date of Free and Reduced Price Meal Eligibility

- **For example**, if a child had paid for full price meals and was subsequently determined eligible for reduced price meals, the LEA could adjust the claim to have the previously-served meals reimbursed as reduced price, rather than paid. In turn, the LEA must refund the difference between the total amount paid for the full price meals and the total amount that would have been paid for reduced price meals from the date the application was submitted to the LEA to the date the eligibility determination was made. Similarly, the same amount must be removed from any debt accrued by the child for meals served without payment. For example, the school has a policy that allows a child to receive a meal even if s/he does not have money to pay for a reduced price or paid meal. Under this policy, a child received five lunches after submitting an application, but prior to being determined to be eligible to receive reduced price meals. If this child was in debt for the full price (\$3.00) for each of the five lunches (\$15.00) and the LEA charges \$0.40 for a reduced price lunch, the LEA may claim the five lunches as reduced price if it adjusts the debt to reflect only the cost of five reduced price lunches (\$2.00). If this child had spent \$15.00 instead of accruing a debt, the LEA must refund the difference between the cost of five paid lunches and five reduced price lunches or \$13.00. **The LEA can only claim those meals at the higher reimbursement rate if the child is given a refund or their debt is discharged.**

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Page 36

- **Benefit status changes due to failure to apply**
 - Failure to reapply during the carryover period is not a denial of benefits for the current school year.
 - LEAs are not required to notify families or send reminders. **A notice of adverse action is not required as eligibility was not established for the current school year.**
 - **HOWEVER**, for the benefit of the student and the district it is advised that LEAs should remind households that fail to apply of the 30 day carryover cut-off and the need to reapply each year.

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Page 36

- **CHANGE IN HOUSEHOLD CIRCUMSTANCES**
- Due to year long eligibility households are **not required to report changes in circumstances**
- If HH does **report a change** that will **INCREASE** benefits for students (i.e.: from reduced or paid to free) then the change should be made **immediately**
- If HH **reports a change** that will **DECREASE** benefits for students (i.e.: from free to paid) then LEA should **explain to HH** that the new lower benefits do not have to go into effect due to year long eligibility; if HH does want lower benefit then must send **letter of adverse action**

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Page 37

- **APPEALS**
- A household **may appeal** either the **denial** of benefits or the **level** of benefits for which they have been approved.
- When a household requests an appeal, the **hearing procedures outlined** in the LEA's free and reduced price **policy statement** must be followed.

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Page 37

- **RECORDKEEPING** – retain 5 years after last claim filed based on the applications
- **Approved applications:**
 - Determination date
 - Level of benefits approved
 - Initials or signature of determining official
- **Denied applications:**
 - Denial date
 - Reason for denial
 - Date denial notice sent to HH
 - Initials or signature of determining official

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Page 37

- **CHANGES DURING THE SCHOOL YEAR**
- If any change is made after the initial approval for the current school year such as a transfer to another school within the LEA
- The LEA officials must:
 - Note the change;
 - Write the date of the change on the application; and
 - Implement the change by updating rosters or other methods used at point of sale, if necessary.
- **When a child transfers to another school within the LEA, the date of the transfer must be noted on the application.**

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- **TRANSFERRING ELIGIBILITY**
- If a child **transfers to another school in the same LEA** in the same school year, his/her eligibility must be transferred
- When a student transfers to **another school district**, the new LEA may accept the eligibility determination from the student's former LEA without incurring liability for the accuracy of the initial determination
 - If receive copy of application check for accuracy

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Page 38

- Change on page 38:
- When a student in a Community Eligibility school transfers to *another school district/LEA*, the new LEA may accept the eligibility determination from the student's former LEA if the eligibility for that student was based on current direct certification (i.e., transfers within the school year in which direct certification was conducted, or there is an approved application for other children in the household that do not attend a CE school). If current eligibility is not available from the sending LEA, the student must either be directly certified by the receiving LEA or submit an application.

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Page 38

- Transfers from Provision 2 school in **base year** to non-Provision 2 school:
 - Same method of transferring individual student eligibility status as if non-provision 2 school – the school in a base year will have individual student meal benefit status
- Transfers from Provision 2 school in **non-base year** to non-Provision 2 school:
 - To receive meal benefits the student must either have an approved application; or
 - Be listed on the current school year's direct certification list

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Page 39

- Change on page 39:
- When a child transfers *within the same LEA* from a school using CE to a non CE school, a new application or direct certification is required unless the child's individual eligibility information was determined through direct certification in the same school year and is available. In addition, if there is an approved application for another child in the household, that eligibility status can be used.

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Page 39

- **RESTRICTIONS**

- The information provided by families on the free and reduced price application will be used only for determining eligibility for meal benefits and verification of eligibility.
- LEAs that plan to disclose children's eligibility status for purposes other than determining and verifying free or reduced price eligibility must inform households of this potential disclosure

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Page 39

- Distribution and processing applications *solely for information about household income* to determine the funding or benefits for programs other than the school meals programs or to determine eligibility for other programs is not permitted.
- A school or LEA must obtain the household income information for non-program purposes through means other than the household's application for free or reduced price school meal benefits.

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Page 40

- Change on page 40:
- The LEA must seek written consent from the parent(s) or guardian(s) to use the information provided on the application for non-program purposes or for purposes not permitted in this guidance. (See Part 7 for additional guidance on disclosure restrictions.)

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- *3. A school sent home a statement requiring all households to complete and submit the application for free and reduced price meal benefits. Is this permissible?*
- **No. Schools cannot require a household to submit an application if they choose not to do so.**
- **See also Commissioner's Memo DIR-05-005**

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- *4. Can the determining official make an eligibility determination based upon other income sources, which were not declared on the application but about which the official knows?*
- No. The determining official must make the initial determination based upon the face value of the application. However, immediately after the application is approved, the LEA may **verify that application for cause.**

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Page 44

- **Income Eligibility** – Part 4 of manual
- To determine if a household meets income eligibility requirements for benefits, LEA officials must compare the **household size** and the total household **income** to Income Eligibility Guidelines (**IEGs**).
- Although LEA officials may have to use their own discretion in some instances, this section explains the **requirements for determining household composition and income** and also **provides guidance** on how to handle special situations.
- **Call the Child Nutrition Office if necessary**
 - 501-324-9502

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Page 44

- **DETERMINING HOUSEHOLD COMPOSITION**
- Based on economic units.
- An economic unit is a group of related or unrelated individuals who are not residents of an institution or boarding house but who are living as one economic unit, and who share housing and/or significant income and expenses of its members.

Special Circumstances Page 44

- **Adopted Child**
- An adopted child for whom a household has accepted legal responsibility is considered to be a member of that household. If the adoption is a “subsidized” adoption, which may include children with special needs, the subsidy is included in the total household income.

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Page 45

- **Child Living with One Parent, Relative, or Friends**
- In cases where no specific welfare agency or court is legally responsible for the child or where the child is living with one parent, other relatives, or friends of the family, **the child is considered to be a member of the household with whom s/he resides.** Children of divorced or separated parents are generally **part of the household that has custody.**
- If living with a relative or friend, check with the district's homeless liaison to determine if the child can be considered homeless and added to the homeless list

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- **Joint Custody**
- When joint custody has been awarded and the child physically changes residence, the child is considered part of the household where s/he resides. In these situations, if both parents apply for benefits in the same LEA for the child, and different eligibility statuses result, **the greatest benefit level is used.**

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Page 45

- **Emancipated Child**

- A child living alone or as a separate economic unit is considered to be a household of one.

- **Foreign Exchange Student**

- A foreign exchange student is considered to be a member of the household in which s/he resides (i.e., the household hosting the student).

Foster Child Page 46

- Change on page 46:
- A foster child is a child whose care and placement is the responsibility of an agency that administers a State plan under part B or E of title IV of the Social Security Act child whose care and placement is the responsibility of an agency that administers a State plan under part B or E of title IV of the Social Security Act, or a foster child who a court has placed with a caretaker household. These provisions only apply to children formally placed in foster care by a State child welfare agency or a court. They do not apply to informal arrangements such as caretaker arrangements or permanent guardianship placements that may exist outside of or as a result of State or court based systems. Whether placed by the State child welfare agency or a court, in order for a child to be considered categorically eligible for free meals, the state must retain legal custody of the child.

Foster Child Page 46

- Change on page 46:
- A foster child is considered a member of the foster parents' household. The category of "foster child" also includes a child placed with relatives through a formal arrangement by the courts or State **child welfare agency**. A child is not considered a foster child if placed with relatives informally instead of through court or State intervention.

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- **Family Members Living Apart**
- Family members living apart on a temporary basis are considered household members. Family members not living with the household for an extended period of time are not considered members of the household for purposes of determining eligibility, but any money made available by them or on their behalf for the household is included as income to the household.

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- **Deployed service personnel**
 - Any member of the armed services who is activated or deployed in support of any military combat operation is counted as a household member.
 - Any money made available by them or on their behalf for the household is included as income to the household with the exception of combat pay (discussed later)

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Page 46

- **DETERMINING HOUSEHOLD INCOME REPORTABLE INCOME**
- Income is **any money received on a recurring basis**, including gross earned income, unless specifically excluded by statute. **Gross earned income** means all money earned **before deductions** such as income taxes, employee's social security taxes, insurance premiums, and bonds.

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- **Earnings from work**
 - Wages, salaries, tips, commissions
 - Net income from self-owned business and farms
 - Strike benefits, unemployment compensation, and worker's compensation
- **Welfare/child support/alimony**
 - Public assistance payments/welfare benefits (e.g., TANF, General Assistance, General Relief)
 - Alimony or child support payments

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- **Benefits under SNAP are not counted as income.**
- **Retirement/disability benefits**
 - Pensions, retirement income, veterans' benefits
 - Social security
 - Supplemental security income
 - Disability benefits

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- **Any other income**

- Net rental income, annuities, and net royalties;
- Interest and dividend income;
- Cash withdrawn from savings, income from estates, trusts and/or investments;
- Regular contributions from persons not living in the household;
- **Any other money that may be available to pay for the child(ren)'s meals**

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- **CURRENT INCOME**
- Households must report current income on a free and reduced price application. **Current income means income received by the household for the current month, the amount projected for the first month for which the application is filled out or for the month prior to application.** If this income is higher or lower than usual and does **not fairly or accurately represent the household's actual circumstances**, the household may, in conjunction with LEA officials, **project its annual rate of income** based on the guidelines on special situations (below).

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- **SPECIAL SITUATIONS**

- Projected Income for Seasonal Workers
- Income for the Self-Employed
- Income from Wages and Self-Employment
- Military Benefits
- Deployed Service Members
- Foster Child's Income
- Income for a Child Residing in an RCCI or Institutions
- Child's Income
- Alimony and Child Support
- Garnished Wages and Bankruptcy

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- **INCOME EXCLUSIONS**
- Income ***not to be reported*** or counted as income includes:
 - Any cash income or value of benefits excluded by statute – see page 49 - 50 of *Manual*
 - SNAP benefits
 - Payments received for care of foster child(ren)
 - Student financial assistance (scholarships/loans)
 - Loans
 - Value of in-kind compensation (i.e.: parsonage)
 - Occasional earnings at irregular basis (babysitting)

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- **Military Benefits** excluded from income:
 - In-kind benefits (where no cash changes hands)
 - Family Subsistence Supplemental Allowance (FSSA)
 - Privatized housing allowances received under the Military Housing Privatization Initiative
 - Combat pay as described is extended to Deployment Extension Incentive Pay (DEIP)
 - Combat Pay is excluded if it is
 - Received in addition to the service member's basic pay;
 - Received as a result of the service member's deployment to or service in an area that has been designated as a combat zone; and
 - Not received by the service member prior to his/her deployment to or service in the designated combat zone

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- **Other Income Exclusions**

- Institutionalized Child's Income
- Child's Income from Infrequent earnings
- Lump Sum Payments – not received on a regular basis

Read the questions and answers beginning on page 51 for more information with regard to reportable income.

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- **PART 5: CATEGORICAL ELIGIBILITY**
- **MEMBERS OF ASSISTANCE PROGRAM HOUSEHOLDS** – in Arkansas the only Assistance Program to cause categorical eligibility is SNAP. SNAP categorical eligibility extends to all students in the household.
- If a household submits an application for children who were directly certified, the LEA must disregard the paper application (unless needed to show other students in household)

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- **OTHER SOURCE CATEGORICALLY ELIGIBLE**

- Foster
- Homeless/runaway
- Migrant
- Head Start
- Even Start

Does not convey to other students in the household

- The designated school official as reported by the district on the CN Contact Information sheet with the Renewal Policy Statement must compile a list of other source eligible students. (i.e.: homeless liaison, migrant coordinator)

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- **TRANSFERRING INFORMATION**
- LEAs are encouraged to share the child's free meal eligibility status with the new LEA when a migrant, homeless or runaway child moves from their jurisdiction if the family knows their new location.

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- **HEAD START AND EVEN START**
- Children enrolled in Federally-funded Head Start centers are considered categorically eligible for free meals in the NSLP.
- For a child to be categorically eligible for free meals based on their participation in Even Start, the child must be enrolled as a participant in a Federally-funded Even Start Family Literacy Program and must be at the pre-kindergarten level

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- **DOCUMENTATION OF PARTICIPATION** in Head Start or Even Start
- Acceptable documentation includes:
 - Statement of enrollment in Head Start or Even Start or;
 - List of children participating in Head Start or Even Start; and
 - For Even Start, confirmation that the child has not yet entered kindergarten

Not subject to verification.

Migrant Education Program Page 56 - 57

- **MIGRANT EDUCATION PROGRAM**
- LEAs should work directly with their Migrant Education Program director or coordinator to identify migrant children and to document their eligibility for free school meals.
- **Acceptable documentation** for MEP enrollment is:
 - **Dated list** with each child's name ; and the signature of the State, regional or local MEP director, coordinator or local educational liaison,
 - A letter from a migrant education director, coordinator, or liaison provided by a household that confirms that a child currently meets the definition of migrant under the Elementary and Secondary Education Act.

Not Subject to Verification

Migrant Education Program Page 57

- Change on page 57:
- This documentation is in lieu of free and reduced price meal applications and must be sought, as much as possible, prior to a household completing an application. Once documentation is obtained, the LEA must notify the household as soon as possible about the child's free meal eligibility. Because documentation of MEP eligibility is acceptable in lieu of a free and reduced price meal application, any application submitted on behalf of the child would be disregarded unless the other children listed on the application **are not migrant or other source categorically eligible** in which case, the LEA has to process the application to determine eligibility for the other children listed on the application.

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- **RUNAWAY AND HOMELESS YOUTH ACT**
- A runaway child is identified as a runaway receiving assistance through a program under the Runaway and Homeless Youth Act (RYHA) by the school district homeless liaison.
- The child nutrition personnel **DO NOT make the determination** of homelessness for a child – however often the front line staff know what is happening in a child’s life faster than the counselor or homeless liaison might. If there is information the homeless liaison needs to be made aware of then please do so.

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- **MCKINNEY-VENTO HOMELESS ASSISTANCE ACT**
- A child is considered homeless if s/he is identified as lacking a fixed, regular and adequate nighttime residence under the McKinney-Vento Homeless Assistance Act by the local educational agency liaison, or by the director of a homeless shelter.
- The following list is provided to assist LEA officials who may know a child's circumstances that may qualify them as homeless. **However, the determination of whether a child meets the definition is made by the school district's homeless liaison.**

Homeless

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- **The definition includes:**
 - **Sharing the housing of other persons** due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations;
 - **Living in emergency or transitional shelters**, are abandoned in hospitals, or are **awaiting foster care placement**;
 - **Have a primary nighttime residence that is a public or private place not designed for or ordinarily used** as a regular sleeping accommodation for human beings;
 - **Living in cars, parks, public spaces**, abandoned buildings, substandard housing, bus or train stations, or similar settings;
 - **Migratory children** who qualify as homeless because the children are living in the circumstances described above.

Homeless

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- The determination of whether a child meets the definition is made by the school district's homeless liaison.

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Page 59

- **DOCUMENTATION OF HOMELESS OR RUNAWAYS' RHYA PARTICIPATION**
 - Child's name or a list of names of participating children;
 - Effective date(s); and
 - Signature of the school district's homeless liaison.
- Not subject to verification**

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Page 59

- **HOMELESS CHILDREN RESIDING WITH ANOTHER HOUSEHOLD**
- A child or family may temporarily reside with another household and still be considered homeless under the definition of homeless in McKinney-Vento. In these cases the household size and income of the host family is not taken into consideration in determining the free meal eligibility for the child(ren) designated as homeless by the LEA liaison.

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- When a **host family applies** for free and reduced price meals **for their own children**, the host family **may include the homeless family** as household members **if the host family provides financial support** to the homeless family, such as shelter, utilities, clothing or food. **In such cases, the host family must also include any income received by the homeless family.** LEA officials must **determine eligibility** for the host family **in the traditional manner.** However, **free meal eligibility for the homeless child is based on the documentation provided by the LEA liaison,** even when the child is included on the host family's free and reduced price meal application.

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- **FOSTER CHILD**

- A foster child is a child whose care and placement is the responsibility of a State or local welfare agency or who is placed by a court with a caretaker household.
- A foster family may include their foster child on the same household application that includes their non-foster children. This will streamline the application process and may help the foster family's non-foster children qualify for free or reduced price meals based on household size and income.

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- **DOCUMENTING FREE MEAL ELIGIBILITY FOR FOSTER CHILDREN**
- The LEAs are encouraged to establish formal mechanisms with State and local foster care agencies and courts to receive information directly from these agencies to facilitate certification for free meals for foster children.
- Documentation can be submitted by an appropriate State agency or court:
 - Electronic/computer match directly to the LEA
 - LEAs can accept a State agency's or court's letter confirming the child's status as a foster child
 - Foster parents may complete an application and check the appropriate box indicating the child's status as a foster child. No further documentation is required **(the application IS subject to verification)**.

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- **DURATION OF CATEGORICAL ELIGIBILITY**
- Since households are not required to report changes in income or household size during the school year, households are also not required to report a change in their categorical eligibility status because they no longer receive benefits or participate in the programs discussed above.

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- **DIRECT CERTIFICATION FOR ASSISTANCE PROGRAMS (in Arkansas this is SNAP only)**
- Direct certification is the process under which LEAs certify children who are members of households receiving assistance without further application, based on information provided by the State/local agency administering those programs

Direct Certification with SNAP Page 64

- Eligibility for free meals is extended to all children in a household if one member has been directly certified as eligible under the Assistance Programs. **These children are also considered directly certified and are NOT subject to verification.**
- During the carryover period, categorical eligibility status is extended to any newly enrolled children who are members of a household with one or more members who were directly certified

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- **NOTIFICATION of Direct Certification**
- **The LEA must notify the household about eligibility established through direct certification.** ADE CNU includes a prototype letter of DC notification as part of the Renewal Agreement each school year. The notification must include:
 - The child is eligible for free benefits;
 - No further application is necessary;
 - An **explanation of extended eligibility and how to notify the LEA of any additional children** in the household; and
 - **How to notify the LEA if it does not want free benefits for directly certified children** (right to refuse benefits).

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- LEAs must ensure that all households receive either a direct certification notification or an application for free and reduced price school meals.
- Notification of free meal eligibility through direct certification may be done through e-mail if the LEA has an e-mail address for a parent or guardian.

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- **DELIVERY OF BENEFITS**
- The LEA must provide benefits promptly. Eligible children may receive benefits immediately and the LEA may assume consent if refusal has not been received within a certain number of days, as determined by the LEA.
- If the household refuses benefits, the LEA must discontinue benefits immediately and must document the refusal.

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- **EXPIRATION OF CATEGORICAL ELIGIBILITY**
- Year long eligibility plus up to 30 operating day carryover into new school year
- If household reports no longer receiving SNAP benefits then LEA can explain that eligibility is good for entire school year and allow household to decide if they want to continue free eligibility or refuse the benefit
- If the household wants the change to go into effect, the LEA must provide a **notice of adverse action**.

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- **RECORDKEEPING** – keep all documentation of meal eligibility, including direct certification, for five years based on Arkansas regulations.
- If an LEA maintains documentation at a central location, **children’s categorical eligibility status must be readily retrievable by school**, and the LEA must ensure that any **changes and transfers** in and out of the school are **accurately and promptly reflected on each school’s list**.

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- **CONFIDENTIALITY/DISCLOSURE**
- The issues of privacy and confidentiality of personal data are complicated as well as sensitive. Discuss with SFA legal counsel.
- ***Disclosure is always an option, not a requirement.***
- LEAs **may** disclose children's free and reduced price meal eligibility information to programs, activities and individuals that are specifically authorized (see chart page 71)

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- The school foodservice director in conjunction with any LEA officials responsible for making the free and reduced price meal determination makes the decision on whether or not children's information will be disclosed.

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- In the same way, schools that have a dual payment system that accepts both cash and electronic payments may overtly identify children through the method of payment.

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- **PREVENTING OVERT IDENTIFICATION**
- Schools must ensure to the maximum extent practicable, that the sale of competitive foods and the method of payment does not inadvertently result in children being identified by their peers as receiving free or reduced price meal benefits.
- Unauthorized disclosure or “overt identification” of children receiving free or reduced price meal benefits may be an unintentional consequence of having a food service line where competitive foods are sold and a different food service line for NSLP program meals.

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- Change on page 69:
- In addition, schools/LEAs must ensure that children who receive free or reduced price meal benefits are not overtly identified when they are provided additional services under certain programs or activities that are permitted to have access to children's eligibility information, such as academic support under No Child Left Behind. (See the Disclosure Chart)

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- **LEAs must ensure compliance with disclosure limitations** in this part (reference NSLA 9(b)(10) and regulations found at 7 CFR 245.8 and the policy guidance memorandum addressing overt identification

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- **AGGREGATE DATA**
- The LEA may disclose aggregate data to any program or individual when children cannot be identified through release of the aggregate data or by means of deduction.
- LEAs are **cautioned** about release of aggregate data when **individual children's eligibility may be deduced** (e.g., release of data about a specific classroom when the numbers of eligible children is very small).

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- **“NEED TO KNOW”**
- Although a program or person may be authorized under the NSLA to receive free and reduced price eligibility information, **there must be a legitimate need to know** to provide a service or carry out an authorized activity.

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Page 72

- Change on page 72:
- State agencies, LEAs and schools must ensure that data systems, records and other means of accessing a student's eligibility status are limited to officials directly connected with administration or enforcement of a federal or State program or activity. This includes Federal, State or local program operators responsible for the ongoing operation of the program or activity, or responsible for program compliance.

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Page 72

- Change on page 72:
- Eligibility information cannot be made available to all school officials. For example, access must be limited to a student's teachers who are directly responsible for the administration of a federal education program, e.g., No Child Left Behind (NCLB) or who are providing tutorial or other assistance under NCLB. Teachers, guidance counselors, principals, etc. who are not providing such assistance under the appropriate statutory or regulatory requirements cannot have access. On-line data systems must have masking or de-identification capability to prevent unauthorized access to free or reduced price eligibility status.

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- Change on page 72-73
- The term “persons directly connected” for the purpose of disclosure to NAEP includes Federal, State and local program operators responsible for NAEP program administration or program compliance and their contractors. This does not imply that these persons have routine access to participants' eligibility status. There must be a "need to know" relating to the administration or enforcement of a Federal education program or for legitimate NAEP purposes.

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- **OTHER DISCLOSURES THAT REQUIRE PARENTAL CONSENT**
- Children's parents or guardians may always provide consent for the disclosure of any or all of the information related to their children's eligibility status
- **For example**, the disclosure of children's eligibility for free and reduced price meals to determine children's eligibility for free text books or reduced fees for summer school **requires consent** when these are local initiatives rather than State or federal programs.

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- Change on page 76:
- The disclosure of information other than names and eligibility status to the programs authorized only to receive participants' names and eligibility status also requires written consent. For example, determining agencies may disclose names and eligibility status to a Federal education program, but if the program requests family size **or the basis of eligibility (e.g., SNAP eligibility or income level)**, determining agencies must obtain consent prior to disclosure.

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- **CONSENT STATEMENT REQUIREMENTS**
- The consent statement **must be in writing**. The consent statement must:
 - Identify the information that will be shared and how the information will be used
 - Be signed and dated. In the case of a child participant, the consent statement must be signed by the parent or guardian
 - State that failing to sign the consent statement will not affect eligibility for or participation in the program and that the information will not be shared by the receiving program with any other entity or program
 - Enable the parent/guardian/adult to limit consent to only those programs with which he or she wishes to share information.

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- **PENALTIES FOR IMPROPER DISCLOSURE**
- The NSLA establishes a fine of not more than **\$1000 or imprisonment of not more than one (1) year, or both**, for publishing, divulging, disclosing, or making known in any manner or extent not authorized by Federal law, any eligibility information
- **This includes the disclosure of eligibility information by one entity authorized under the NSLA to receive the information to any other entity** (for example an agreement was signed and info shared with NCLB; however the NCLB person shared the information with another entity)

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- ***Question 3. May the LEA disclose eligibility information to other Child Nutrition Programs?***
- Program eligibility information collected for any one of the Child Nutrition Programs **may be shared with another Child Nutrition Program**, even if the programs are sponsored by different entities. For example: NSLP eligibility determination may be shared with SFSP program.

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- **VERIFICATION FOR CAUSE**
- **The LEA has an obligation to verify all questionable applications** (verification “for cause”). Such verification efforts cannot delay the approval of applications. If an application is complete and indicates that the child is eligible for free or reduced price benefits, the application must be approved. Only after the determination of eligibility has been made can the LEA begin the verification process.

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- To verify an approved application for cause, the LEA must send the household a letter explaining that it must submit verification of eligibility information with the application for continued eligibility.
- **The verification letter may be sent at the same time as a notice of eligibility.**
- The LEA verifies applications for cause following the procedures in Sections H through N, in the *Eligibility Manual*.

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- Once households have been requested to provide documentation for cause, **the LEA must complete the verification process for these households.**

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- **VERIFICATION FOR CAUSE FOR SCHOOL DISTRICT EMPLOYEES**
- Verification for cause must not be used to automatically verify the households of all school district employees whose children are certified for free or reduced price meals.
- However, **from among the list of children approved for free or reduced price meals**, an LEA could **identify children of school district employees** and **use available LEA salary information available to them** to identify questionable applications and then conduct verifications for cause on those questionable applications

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- LEAs can use verification for cause to review approved applications for free or reduced price meals when known or available information indicates school district employees may have misrepresented their incomes on their applications to receive free or reduced price meals for their children.
- We would recommend that an LEA consult with legal counsel in establishing the parameters of verification for cause for school district employees.

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- **FNS supports use of verification for cause where appropriate as a method for LEAs to address integrity concerns.** We strongly encourage LEAs and their legal counsel to consult with their State agency prior to undertaking verification for cause where concerns with employee misrepresentation of information on an income eligibility application have been raised. State agencies should assist in ensuring that LEAs balance administrative requirements and integrity with access to free and reduced price meals for eligible children.
- **This issue is on Arkansas Legislative Audit radar**

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- **NOTICE OF ADVERSE ACTION**
- All households for whom benefits are to be reduced or terminated must be given 10 calendar days' written advance notice of the change.

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- **The notice of adverse action must advise the household of the following:**
 - Change in benefits;
 - Reasons for the change;
 - That an appeal must be filed within the 10 calendar days;
 - Instructions on how to appeal;
 - That the household may reapply for benefits at any time during the school year; and
 - Households that were terminated because no member was receiving benefits from SNAP may submit an application containing household names and income information and provide written evidence of current household income.

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- **BENEFITS DURING AN APPEAL**
- When a household appeals a reduction or termination of benefits within the 10 calendar day advance notice period, the LEA must continue to provide the benefits for which the child was originally approved until a final determination is made. The LEA may continue to claim reimbursement at that level during this period.
- When a household does not appeal a reduction or termination of benefits during the 10 calendar day advance notice period the actual reduction or termination of benefits must take place no later than 10 operating days after the 10 calendar day advance notice period

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- **Prototype Disclosure Agreement** may be found on Commissioner's Memo FIN-09-041 or Appendix C of the *Eligibility Manual*
- **The LEA should enter into a written agreement** with other entities requesting the information prior to disclosing children's eligibility information. The agreement should:
 - Be signed by both the LEA and receiving entity;
 - Identify the entity receiving the information;
 - Describe the information to be disclosed and how it will be used;
 - Describe how the information will be protected from unauthorized use and disclosure; and
 - Describe the penalties for unauthorized disclosure.

Eligibility Master Roster

- The prototype Eligibility Master Roster has been revised for the 2014-15 school year.
- Two forms are on the forms page of our Child Nutrition website
 - Over 1000 students
 - Less than 1000 students

Eligibility Master Roster

- Changes made to this year's roster:
 - Eligibility category “04” has been added
 - “04” is for Directly Certified students and other students living in same HH with DC students
 - Do not make other “list” students “04” status

Eligibility Master Roster

- If the district is using the Eligibility Master Roster prototype from the Child Nutrition website, please READ the instructions! The instructions are on a separate tab on the Excel spreadsheet.
- If, after reading the instructions, there are ANY questions on how to complete the roster contact ADE CNU for assistance.

Non-Discrimination Statement

- **Commissioner's memo FIN-14-004 has USDA's NEW Non-Discrimination Statement**
- This statement **MUST be on ALL materials** provided to the public with regard to the National School Lunch Program (NSLP) or School Breakfast Program (SBP)
- This statement **MUST be on ALL district websites** that refer to the NSLP or SBP
- **If the school sends home menus the menus must either have the entire Non-Discrimination statement OR the following statement:**
"USDA is an equal opportunity provider and employer."

Who at Your District has Access to Meal Benefit Status?

- Who in the district has access to meal eligibility status in eSchool Plus
- Does that person have a “need to know”
- Very few people within the district have a “need to know” regarding eligibility information

Other Uses of Information from the Application

- The information provided by families will be used ONLY for determination of meal benefits and verification of eligibility
- If the district plans to use the information for another reason that it must be disclosed to HH
- Cannot request information from HH that does not want to apply for meal benefits
- Cannot use HH reported income for purposes other than meal benefit determination

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- There is no way this *Eligibility Manual* can cover every situation that arises when making eligibility determinations. Do not hesitate to contact your Area Specialist (or any Area Specialist in the office) with questions or concerns. Remember to document your information.
- **Questions?**

Sign In Sheets

- If you are signed on through Adobe Connect, then we already have your sign in information.
- If other staff members are viewing with you through Adobe Connect, please fax a sign in sheet for all staff observing presentation
- If you are at an Educational Cooperative viewing as a Distance Learning, please be sure the sign in sheet is faxed to:

FAX 501-324-9505